

General Assembly

January Session, 2019

Substitute Bill No. 647



AN ACT STREAMLINING THE LIQUOR CONTROL ACT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 12-435 of the general statutes is repealed and the
- 2 following is substituted in lieu thereof (*Effective January 1, 2020*):
- 3 Each distributor of alcoholic beverages shall pay a tax to the state on
- 4 all sales within the state of alcoholic beverages, except sales to licensed
- 5 distributors, sales of alcoholic beverages which, in the course of such
- 6 sales, are actually transported to some point without the state and
- 7 except the first fifteen barrels of malt beverages [which are] produced
- 8 and consumed on the premises covered by a manufacturer's permit, at
- 9 the rates for the respective categories of alcoholic beverages listed
- 10 below:
- 11 (a) Beer, seven dollars and twenty cents for each barrel, three dollars
- 12 and sixty cents for each half barrel, one dollar and eighty cents for each
- 13 quarter barrel and twenty-four cents per wine gallon or fraction
- 14 thereof on quantities less than a quarter barrel;
- 15 (b) Liquor, five dollars and forty cents per wine gallon;
- 16 (c) Still wines containing not more than twenty-one per cent of
- 17 absolute alcohol, except as provided in subsections (g) and (h) of this
- 18 section, seventy-two cents per wine gallon;

- (d) Still wines containing more than twenty-one per cent of absolute
 alcohol and sparkling wines, one dollar and eighty cents per wine
 gallon;
- 22 (e) Alcohol in excess of 100 proof, five dollars and forty cents per 23 proof gallon;
- (f) Liquor coolers containing not more than seven per cent of alcohol
 by volume, two dollars and forty-six cents per wine gallon;
- 26 (g) Still wine containing not more than twenty-one per cent of 27 absolute alcohol, produced by a person who produces not more than 28 fifty-five thousand wine gallons of wine during the calendar year, 29 eighteen cents per wine gallon, provided such person presents to each 30 distributor of alcoholic beverages described in this section a certificate, 31 issued by the commissioner, stating that such person produces not 32 more than fifty-five thousand wine gallons of wine during the calendar 33 year. The commissioner is authorized to issue such certificates, 34 prescribe the procedures for obtaining such certificates and prescribe 35 their form; and
- 36 (h) Cider containing not more than seven per cent of absolute 37 alcohol shall be subject to the same rate as applies to beer, as provided 38 in subsection (a) of this section.
- Sec. 2. Section 30-1 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
- For the interpretation of this chapter, unless the context indicates a different meaning:
- (1) "Airline" means any United States airline carrier, holding a certificate of public convenience and necessity from the Civil Aeronautics Board under Section 401 of the Federal Aviation Act of 1958, as amended, or any foreign flag carrier, holding a permit under Section 402 of such act.

- (2) "Alcohol" means the product of distillation of any fermented liquid, rectified either once or more often, whatever may be the origin thereof, and includes synthetic ethyl alcohol which is considered nonpotable.
 - (3) "Alcoholic liquor" or "alcoholic beverage" includes the four varieties of liquor defined in subdivisions (2), (5), (18) and (19) of this section (alcohol, beer, spirits and wine) and every liquid or solid, patented or not, containing alcohol, spirits, wine or beer and capable of being consumed by a human being for beverage purposes. Any liquid or solid containing more than one of the four varieties so defined is considered as belonging to that variety which has the higher percentage of alcohol, according to the following order: Alcohol, spirits, wine and beer, except as provided in subdivision (19) of this section. The provisions of this chapter shall not apply to any liquid or solid containing less than one-half of one per cent of alcohol by volume.
 - (4) "Backer" means, except in cases where the permittee is himself the proprietor, the proprietor of any business or club, incorporated or unincorporated, engaged in the manufacture or sale of alcoholic liquor, in which business a permittee is associated, whether as employee, agent or part owner.
- 69 (5) "Beer" means any beverage obtained by the alcoholic 70 fermentation of an infusion or decoction of barley, malt and hops in 71 drinking water.
 - (6) (A) "Case price" means the price of a container of cardboard, wood or other material, containing units of the same size [, brand, age and proof] and class of alcoholic liquor, and (B) a case of alcoholic liquor, other than beer, cordials, cocktails, wines and prepared mixed drinks, shall be in the number and quantity, or fewer, with the permission of the Commissioner of Consumer Protection, of units or bottles as follows: (i) Six one thousand seven hundred fifty milliliter bottles; (ii) twelve one liter bottles; (iii) twelve seven hundred fifty

- 80 milliliter bottles; (iv) twenty-four three hundred seventy-five milliliter 81 bottles; (v) forty-eight two hundred milliliter bottles; (vi) sixty one 82 hundred milliliter bottles; or (vii) one hundred twenty fifty milliliter 83 bottles, except a case of fifty milliliter bottles may be in a number and 84 quantity as originally configured, packaged and sold by the 85 manufacturer or out-of-state shipper prior to shipment, provided such 86 number of bottles does not exceed two hundred. The commissioner 87 shall not authorize fewer numbers or quantities of units or bottles as 88 specified in this subdivision for any one person or entity more than 89 four times in any calendar year. For the purposes of this subdivision, 90 "class" has the same meaning as defined in 27 CFR 5.22 for spirits, as 91 defined in 27 CFR 4.21 for wine, and as defined in 27 CFR 7.24 for beer.
- 92 (7) "Charitable organization" means any nonprofit organization 93 organized for charitable purposes to which has been issued a ruling by 94 the Internal Revenue Service classifying it as an exempt organization 95 under Section 501(c)(3) of the Internal Revenue Code.
- 96 (8) "Club" means a club as defined in section 30-23.
- 97 (9) "Coliseum" means a coliseum as defined in section 30-33a.
- 98 (10) "Commission" means the Liquor Control Commission and 99 "department" means the Department of Consumer Protection.
- 100 (11) "Golf country club" means a golf country club as defined in section 30-24a.
- 102 (12) "Mead" means fermented honey, with or without adjunct 103 ingredients or additions, regardless of alcohol content, regardless of 104 process, and regardless of being sparkling, carbonated or still.
- 105 [(12)] (13) "Minor" means any person under twenty-one years of age.
- [(13)] (14) "Person" means natural person including partners but shall not include corporations, limited liability companies, joint stock companies or other associations of natural persons.

- [(14)] (15) "Proprietor" shall include all owners of businesses or clubs, included in subdivision (4) of this section, whether such owners are individuals, partners, joint stock companies, fiduciaries, stockholders of corporations or otherwise, but shall not include persons or corporations who are merely creditors of such businesses or clubs, whether as note holders, bond holders, landlords or franchisors.
- [(15)] (16) "Dining room" means a room or rooms in premises operating under a hotel permit, hotel beer permit, restaurant permit, restaurant permit for beer, restaurant permit for wine and beer, railroad permit, or boat permit, where meals are customarily served, within the room or rooms, to any member of the public who has means of payment and proper demeanor.
- [(16)] (17) "Restaurant" means a restaurant as defined in section 30-22.
- [(17)] (18) "Special sporting facility" means a special sporting facility as defined in section 30-33b.
- [(18)] (19) "Spirits" means any beverage that contains alcohol obtained by distillation mixed with drinkable water and other substances in solution, including brandy, rum, whiskey and gin.
- [(19)] (20) "Wine" means any alcoholic beverage obtained by the fermentation of the natural sugar content of fruits, such as grapes or apples or other agricultural products, containing sugar, including fortified wines such as port, sherry and champagne.
- [(20)] (21) "Nonprofit public television corporation" means a nonprofit public television corporation as defined in section 30-37d.
- Sec. 3. Section 30-16 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
- (a) A manufacturer permit <u>for spirits</u> shall allow the manufacture of [alcoholic liquor] <u>spirits</u> and the storage, bottling and wholesale

distribution and sale of [alcoholic liquor] spirits manufactured or bottled to permittees in this state and without the state as may be permitted by law; but no such permit shall be granted unless the place or the plan of the place of manufacture has received the approval of the Department of Consumer Protection. The holder of a manufacturer permit who produces less than twenty-five thousand gallons of [alcoholic liquor] spirits in a calendar year may sell at retail from the premises sealed bottles or other sealed containers of [alcoholic liquor] spirits manufactured on the premises for consumption off the premises, provided such holder shall not sell to any one consumer more than [one and one-half] three liters of [alcoholic liquor] spirits per day nor more than five gallons of [alcoholic liquor] spirits in any two-month period. Retail sales by a holder of a manufacturer permit shall occur only on the days and times permitted under subsection (d) of section 30-91, as amended by this act. A holder of a manufacturer permit, alone or in combination with any parent or subsidiary business or related or affiliated party, who sells more than ten thousand gallons of [alcoholic liquor] spirits in any calendar year may not sell [alcoholic liquor spirits at wholesale to retail permittees within this state. Such permit shall also authorize the offering and tasting, on the premises of the permittee, of free samples of spirits distilled on the premises. Such free samples of spirits distilled on the premises may be offered for consumption in combination with a nonalcoholic beverage. Tastings shall not exceed two ounces per patron per day and shall not be allowed on such premises on Sunday before eleven o'clock a.m. and after eight o'clock p.m. and on any other day before ten o'clock a.m. and after eight o'clock p.m. No tastings shall be offered to or allowed to be consumed by any minor or intoxicated person. A holder of a manufacturer permit may apply for and shall receive an out-of-state shipper's permit for manufacturing plants and warehouse locations outside the state owned by such manufacturer or a subsidiary corporation thereof, at least eighty-five per cent of the voting stock of which is owned by such manufacturer, to bring into any of its plants or warehouses in the state [alcoholic liquors] spirits for reprocessing, repackaging, reshipment or sale either (1) within the state to

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wholesaler permittees not owned or controlled by such manufacturer, or (2) outside the state. The annual fee for a manufacturer permit shall be one thousand eight hundred fifty dollars.

(b) A manufacturer permit for beer shall [be in all respects the same as a manufacturer permit, except that the scope of operations of the holder shall be limited to beer, but shall permit the storage of beer in any part of the state. Such permit shall also authorize the offering and tasting, on the premises of the permittee, of free samples of beer brewed on such premises and the selling at retail from the premises of sealed bottles or other sealed containers of such beer for consumption off the premises. The offering and tasting may be limited to visitors who have attended a tour of the premises of the permitteel allow the manufacture of beer and the storage, bottling and wholesale distribution and sale of beer manufactured or bottled to permittees in this state and without the state as may be permitted by law, but no such permit shall be granted unless the place or the plan of the place of manufacture has received the approval of the Department of Consumer Protection. A holder of a manufacturer permit for beer who sells beer brewed on such premises at wholesale to retail permittees within this state shall make such beer available to all holders of a package store permit issued pursuant to section 30-20 and to all holders of a grocery store beer permit held pursuant to said subsection in the geographical region in which the holder of the manufacturer permit for beer self-distributes, subject to reasonable limitations, as determined by the Department of Consumer Protection. Such permit shall also allow (1) the retail sale of beer to be consumed on the premises with or without the sale of food, (2) the selling at retail from the premises of sealed bottles or other sealed containers of beer brewed on such premises for consumption off the premises, and (3) the sale of sealed bottles or other sealed containers of beer brewed on such premises to the holder of a wholesaler permit issued pursuant to subsection (b) of section 30-17, provided that the holder of a manufacturer permit for beer produces at least five thousand gallons of beer on the premises annually. Such selling at retail from the

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premises of sealed bottles or other sealed containers shall comply with the provisions of subsection (d) of section 30-91, as amended by this act, and shall permit not more than [nine liters] six gallons of beer to be sold to any person on any day on which such sale is authorized under the provisions of subsection (d) of section 30-91, as amended by this act. The annual fee for a manufacturer permit for beer shall be one thousand four hundred seven dollars.

[(c) A manufacturer permit for cider not exceeding six per cent alcohol by volume and apple wine not exceeding fifteen per cent alcohol by volume shall allow (1) the manufacture, storage, bottling and wholesale distribution and sale at retail of such cider and apple wine to permittees and nonpermittees in this state as may be permitted by law; but no such permit shall be issued unless the place or the plan of the place of manufacture has received the approval of the department; (2) the sale and shipment by the holder of such permit of such cider and such apple wine to persons outside the state and to consumers in this state in the same manner and subject to the same conditions as such sale and shipment is permitted for wine by a farm winery manufacturer permittee pursuant to subsection (e) of this section; and (3) the offering and tasting, on the premises of the permittee, of free samples of cider and apple wine manufactured on such premises. Tastings shall not exceed two ounces per patron and shall not be allowed on such premises on Sunday before eleven o'clock a.m. and after eight o'clock p.m. and on any other day before ten o'clock a.m. and after eight o'clock p.m. No tasting shall be offered to or allowed to be consumed by any minor or intoxicated person. Offerings and tastings may be limited to visitors who have attended a tour of the premises of the permittee. The annual fee for a manufacturer permit for cider shall be two hundred dollars.

(d) A manufacturer permit for apple brandy and eau-de-vie shall be in all respects the same as a manufacturer permit, except that the scope of operations of the holder shall be limited to apple brandy or eau-devie, or both. The annual fee for a manufacturer permit for apple

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brandy and eau-de-vie shall be four hundred dollars.]

[(e)] (c) (1) A manufacturer permit for [a farm winery shall be in all respects the same as a manufacturer permit, except that the scope of operations of the holder shall be limited to wine and brandies distilled from grape products or other fruit products, including grappa and eau-de-vie. As used in this section, "farm winery" means any place or premises that is located on a farm in the state in which wine is manufactured and sold] wine, cider and mead shall allow the manufacture of wine, cider not exceeding six per cent alcohol by volume, apple wine not exceeding fifteen per cent alcohol by volume, apple brandy, eau-de-vie and mead and the storage, bottling and wholesale distribution and sale of wine, cider not exceeding six per cent alcohol by volume, apple wine not exceeding fifteen per cent alcohol by volume, apple brandy, eau-de-vie and mead manufactured or bottled to permittees in this state and without the state as may be permitted by law; but no such permit shall be granted unless the place or the plan of the place of manufacture has received the approval of the Department of Consumer Protection.

(2) Such permit shall, at [the] <u>a</u> single principal premises, [of the farm winery,] authorize (A) the sale in bulk by the holder thereof from the premises where the products are manufactured pursuant to such permit; (B) as to a manufacturer who produces one hundred thousand gallons of [wine] <u>product pursuant to this permit</u> or less per year, the sale and shipment by the holder thereof to a retailer of [wine] <u>product pursuant to this permit</u> manufactured by the [farm winery] permittee in the original sealed containers of not more than fifteen gallons per container; (C) the sale and shipment by the holder thereof of [wine] <u>product pursuant to this permit</u> manufactured by the [farm winery] permittee to persons outside the state; (D) the offering and tasting of free samples of such [wine or brandy] <u>product produced pursuant to this permit</u>, dispensed out of bottles or containers having capacities of not more than two gallons per bottle or container, to visitors and prospective retail customers for consumption on the premises of the

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[farm winery] permittee; (E) the sale at retail from the premises of sealed bottles or other sealed containers of such [wine or brandy] product produced pursuant to this permit for consumption off the premises; (F) the sale at retail from the premises of [wine or brandy] product produced pursuant to this permit by the glass and bottle to visitors on the premises of the [farm winery] permittee for consumption on the premises; and (G) subject to the provisions of subdivision (3) of this subsection, the sale and delivery or shipment of [wine] product produced pursuant to this permit manufactured by the permittee directly to a consumer in this state. Notwithstanding the provisions of subparagraphs (D), (E) and (F) of this subdivision, a town may, by ordinance or zoning regulation, prohibit any such offering, tasting or selling at retail at premises within such town for which a manufacturer permit [for a farm winery] has been issued.

(3) A permittee, when selling and shipping [wine] a product produced pursuant to this permit, directly to a consumer in this state, shall: (A) Ensure that the shipping labels on all containers of [wine] such products shipped directly to a consumer in this state conspicuously state the following: "CONTAINS ALCOHOL -SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY"; (B) obtain the signature of a person age twenty-one or older at the address prior to delivery, after requiring the signer to demonstrate that he or she is age twenty-one or older by providing a valid motor vehicle operator's license or a valid identity card described in section 1-1h; (C) not ship more than five gallons of [wine] product produced pursuant to this permit in any two-month period to any person in this state; (D) pay, to the Department of Revenue Services, all sales taxes and alcoholic beverage taxes due under chapters 219 and 220 on sales of [wine] products produced pursuant to this permit to consumers in this state, and file, with said department, all sales tax returns and alcoholic beverage tax returns relating to such sales; (E) report to the Department of Consumer Protection a separate and complete record of all sales and shipments to consumers in the state, on a ledger sheet or similar form which readily presents a

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chronological account of such permittee's dealings with each such consumer; (F) not ship to any address in the state where the sale of alcoholic liquor is prohibited by local option pursuant to section 30-9; and (G) hold an in-state transporter's permit pursuant to section 30-19f, as amended by this act, or make any such shipment through the use of a person who holds such an in-state transporter's permit.

- (4) No [licensed farm winery] holder of a wine, cider and mead permit may sell any such [wine or brandy] product not manufactured by such [winery] permit holder, except [a licensed farm winery] such permittee may sell from the premises (A) wine, cider not exceeding six per cent alcohol by volume, apple wine not exceeding fifteen per cent alcohol by volume, apple brandy and eau-de-vie and mead manufactured by another [farm winery] such permit holder located in this state, and (B) brandy manufactured from fruit harvested in this state and distilled off the premises in this state.
- [(5) The farm winery permittee shall grow on the premises of the farm winery or on property under the same ownership and control of said permittee or leased by the backer of a farm winery permit or by said permittee within the farm winery's principal state an average crop of fruit equal to not less than twenty-five per cent of the fruit used in the manufacture of the farm winery permittee's wine. An average crop shall be defined each year as the average yield of the farm winery permittee's two largest annual crops out of the preceding five years, except that during the first seven years from the date of issuance of a farm winery permit, an average crop shall be defined as three tons of grapes for each acre of vineyard farmed by the farm winery permittee. Such seven-year period shall not begin anew if the property for which the farm winery permit is held is transferred or sold during such seven-year period. In the event the farm winery consists of more than one property, the aggregate acreage of the farm winery shall not be less than five acres.]
- [(6)] (5) A holder of a [manufacturer] permit [for a farm winery] issued pursuant to this subsection, when advertising or offering [wine]

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<u>products</u> for direct shipment to a consumer in this state via the Internet or any other on-line computer network, shall clearly and conspicuously state such liquor permit number in its advertising.

- [(7)] (6) A holder of a [manufacturer] wine, cider and mead permit [for a farm winery] issued pursuant to this subsection may sell and offer free tastings of [wine] products produced pursuant to such permit manufactured [from] by such [winery] permit holder at a farmers' market, as defined in section 22-6r, that is operated as a nonprofit enterprise or association, provided such farmers' market invites such holder to sell [wine] such products at such farmers' market and such holder has a farmers' market [wine sales] permit issued by the Commissioner of Consumer Protection in accordance with the provisions of subsection (a) of section 30-37o, as amended by this act.
- [(8)] (7) The annual fee for a [manufacturer] wine, cider and mead permit [for a farm winery] shall be [three] two hundred dollars.
 - [(f) (1) A manufacturer permit for a farm brewery shall be in all respects the same as a manufacturer permit, except that the scope of operations of the holder shall be limited to the production of not more than seventy-five thousand gallons of beer in a calendar year. As used in this section, "farm brewery" means any place or premises that is located on a farm in the state in which beer is manufactured and sold.
 - (2) Such permit shall, at the single principal premises of the farm brewery, authorize (A) the sale of sealed bottles or other sealed containers of beer brewed on such premises to the holder of a wholesaler permit issued pursuant to section 30-17; (B) the offering and tasting of free samples of beer manufactured by the farm brewery permittee, dispensed out of bottles or other sealed containers to visitors and prospective retail customers for consumption on the premises of the farm brewery permittee; (C) the sale at retail from the premises of not more than nine liters of such beer to any person per day, in sealed bottles or other sealed containers, for consumption off

- the premises; and (D) the sale at retail from the premises of beer by the glass and bottle to visitors on the premises of the farm brewery permittee for consumption on the premises. Notwithstanding the provisions of subparagraphs (A) to (D), inclusive, of this subdivision, a town may, by ordinance or zoning regulation, prohibit any such offering, tasting or selling at retail at premises within such town for which a manufacturer permit for a farm brewery has been issued.
 - (3) The farm brewery permittee shall use not less than twenty-five per cent of a combination of hops, barley, cereal grains, honey, flowers or other fermentables grown or malted within the state of Connecticut in the manufacture of the farm brewery permittee's beer for the first year of issuance for any such permit and not less than fifty per cent of such hops, barley, cereal grains, honey, flowers or other fermentables in the manufacture of the farm brewery permittee's beer for the second and any subsequent year of issuance for any such permit. Any such beer may be advertised and sold by the farm brewery permittee as "Connecticut Craft Beer".
- (4) A holder of a manufacturer permit for a farm brewery may sell beer manufactured from such brewery at a farmers' market, as defined in section 22-6r, that is operated as a nonprofit enterprise or association, provided such farmers' market invites such holder to sell beer at such farmers' market and such holder has a farmers' market beer sales permit issued by the Commissioner of Consumer Protection in accordance with the provisions of subsection (a) of section 30-37r.
- (5) The annual fee for a manufacturer permit for a farm brewery shall be three hundred dollars.
- (g) A manufacturer permit for a brew pub shall allow: (1) The manufacture, storage and bottling of beer, (2) the retail sale of alcoholic liquor to be consumed on the premises with or without the sale of food, (3) the selling at retail from the premises of sealed bottles or other sealed containers of beer brewed on such premises for consumption off the premises, and (4) the sale of sealed bottles or other

sealed containers of beer brewed on such premises to the holder of a wholesaler permit issued pursuant to subsection (b) of section 30-17, provided that the holder of a manufacturer permit for a brew pub produces at least five thousand gallons of beer on the premises annually. Such selling at retail from the premises of sealed bottles or other sealed containers shall comply with the provisions of subsection (d) of section 30-91 and shall permit not more than nine liters of beer to be sold to any person on any day on which such sale is authorized under the provisions of subsection (d) of section 30-91. The annual fee for a manufacturer permit for a brew pub shall be three hundred dollars.

- (h) A manufacturer permit for beer and brew pub shall be in all respects the same as a manufacturer permit for beer, as defined in subsection (b) of this section, and shall allow those additional permissible uses specified in the manufacturer permit for a brew pub, as defined in subsection (g) of this section, provided the holder of a manufacturer permit for beer and brew pub produces at least five thousand gallons of beer on the premises annually. The annual fee for a manufacturer permit for beer and brew pub shall be one thousand five hundred dollars.
- (i) (1) A manufacturer permit for a farm distillery shall be in all respects the same as a manufacturer permit, except that the scope of operations of the holder shall be limited to the production of not more than ten thousand gallons per calendar year of distilled alcohol or spirits including, but not limited to, whiskey, gin, vodka and rum. As used in this section, "farm distillery" means any place or premises that is located on a farm in the state in which distilled spirits or alcohol are manufactured and sold.
- (2) Such permit shall, at the single principal premises of the farm distillery, authorize (A) the sale in bulk by the holder thereof from the premises where the products are manufactured pursuant to such permit; (B) the sale and shipment by the holder thereof to a retailer of distilled alcohol or spirits manufactured by the farm distillery

437 permittee in the original sealed containers of not more than fifteen 438 gallons per container; (C) the offering and tasting of free samples of 439 such distilled alcohol or spirits, in amounts not to exceed two ounces 440 per day per person, to visitors and prospective retail customers for 441 consumption on the premises of the farm distillery permittee; and (D) 442 the sale at retail from the premises of sealed bottles or other sealed 443 containers, in amounts not to exceed four and one-half liters per 444 customer per day, of such distilled alcohol or spirits for consumption 445 off the premises. Notwithstanding the provisions of subparagraphs (C) 446 and (D) of this subdivision, a town may, by ordinance or zoning 447 regulation, prohibit any such offering, tasting or selling at retail at 448 premises within such town for which a manufacturer permit for a farm 449 distillery has been issued.

- (3) No licensed farm distillery may sell any such distilled alcohol or spirits not manufactured by such distillery.
- (4) The farm distillery permittee shall grow on the premises of the farm distillery or on property under the same ownership and control of said permittee or leased by the backer of a farm distillery permit or by said permittee within the farm distillery's principal state an average crop of fruit or crops equal to not less than twenty-five per cent of the fruit or crops used in the manufacture of the farm distillery permittee's distilled alcohol or spirits. An average crop shall be defined each year as the average yield of the farm distillery permittee's two largest annual crops out of the preceding five years. In the event the farm distillery consists of more than one property, the aggregate acreage of the farm distillery shall not be less than five acres.
- (5) The annual fee for a manufacturer permit for a farm distillery shall be three hundred dollars.]
- Sec. 4. Section 30-37p of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
- 467 (a) A gift basket retailer permit shall allow the retail sale of wine or

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- 468 beer manufactured in Connecticut by the holder of a manufacturer 469 permit for beer or a wine, cider and mead permit included in a gift 470 basket sold at retail by the permit holder. Such wine or beer shall not 471 be consumed on the premises. Such permit holder shall be located in 472 this state and such wine or beer shall only be purchased by such 473 permit holder from the holder of a package store permit issued 474 pursuant to section 30-20 or the holder of a manufacturer permit [for a 475 farm winery] issued pursuant to subsection [(e)] (c) of section 30-16, as 476 amended by this act.
 - (b) The holder of a gift basket retailer permit may sell gift baskets which may include (1) a maximum of four bottles of wine per basket or a maximum of seventy-two ounces of beer per basket, (2) food items, (3) nonalcoholic beverages, (4) concentrates used in the preparation of mixed alcoholic beverages, (5) wine-making kits and beer-making kits and products related to [wine-making] such kits, (6) ice in any form, (7) articles of clothing imprinted with advertising related to the alcoholic liquor industry or the permittee's gift basket business, (8) flowers, plants and garden-related items, (9) drinking glasses, bottle opening devices and literature related to wine or beer, or (10) gift certificates. The sale of such gift baskets shall only take place during the times permitted for the sale of alcoholic liquor in places operating under package store permits pursuant to section 30-91, as amended by this act. The holder of a gift basket retailer permit shall not sell such gift baskets on premises operating under any other permit issued pursuant to this title. Nothing in this section shall prohibit the holder of a package store permit issued pursuant to section 30-20 from selling any item permitted for sale by such permittee pursuant to said section.
- (c) The annual fee for a gift basket retailer permit shall be two hundred dollars.
- Sec. 5. Section 30-37q of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
- 499 (a) A gift basket retailer permit issued in accordance with section 30-

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37p, as amended by this act, shall allow the sale and delivery or 500 501 shipment of gift baskets containing wine or beer directly to a consumer 502 in this state, subject to the provisions of section 30-37p, as amended by 503 this act, and this section, or to a consumer outside of this state, subject 504 to all applicable laws of the jurisdiction in which such consumer 505 outside of this state is located. Such permittee, when selling and 506 shipping gift baskets containing wine or beer directly to a consumer in 507 this state, shall: (1) Ensure that the shipping labels on all gift baskets 508 containing wine or beer shipped directly to a consumer in this state 509 conspicuously state the following: "CONTAINS ALCOHOL -510 SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR 511 DELIVERY"; (2) obtain the signature of a person age twenty-one or older at the address prior to delivery, after requiring the signer to 512 513 demonstrate that he or she is age twenty-one or older by providing a 514 valid motor vehicle operator's license or a valid identity card described 515 in section 1-1h; (3) obtain a seller's permit pursuant to chapter 219 and 516 pay to the Department of Revenue Services all sales taxes as required 517 under said chapter 219 on sales of gift baskets; (4) report to the 518 Department of Consumer Protection a separate and complete record of 519 all sales and shipments to consumers in the state, on a ledger sheet or 520 similar form which readily presents a chronological account of such 521 permittee's dealings with each such consumer; (5) permit the 522 Department of Consumer Protection and the Department of Revenue 523 Services, separately or jointly, to perform an audit of the permittee's 524 records upon request; and (6) not ship to any address in the state 525 where the sale of alcoholic liquor is prohibited by local option 526 pursuant to section 30-9.

- (b) A holder of a gift basket retailer permit, when advertising or offering wine <u>or beer</u> for direct shipment to a consumer in this or another state via the Internet or any other on-line computer network, shall clearly and conspicuously state its gift basket retailer permit number in its advertising.
- (c) The Department of Consumer Protection, in consultation with

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- the Department of Revenue Services, may adopt regulations, in accordance with the provisions of chapter 54, to assure compliance with the provisions of subsection (a) of this section.
- Sec. 6. Section 30-63 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
 - (a) No holder of any manufacturer, wholesaler or out-of-state shipper's permit shall ship, transport or deliver within this state, or sell or offer for sale, any alcoholic liquors, except for beer manufactured by a permittee in this state and sold for consumption only on the permittee's premises, unless the name of the brand, trade name or other distinctive characteristic by which such alcoholic liquors are bought and sold, the name and address of the manufacturer thereof and the name and address of each wholesaler permittee who is authorized by the manufacturer or his authorized representative to sell such alcoholic liquors are registered with the Department of Consumer Protection and until such brand, trade name or other distinctive characteristic has been approved by the department. Such registration shall be valid for a period of three years. The fee for such registration, or renewal thereof, shall be two hundred dollars for out-of-state shippers and fifteen dollars for Connecticut manufacturers for each brand so registered, payable by the manufacturer or such manufacturer's authorized representative when such liquors are manufactured in the United States and by the importer or such importer's authorized representative when such liquors are imported into the United States. The department shall not approve the brand registration of any fortified wine, as defined in section 12-433, which is labeled, packaged or canned so as to appear to be a wine or liquor cooler, as defined in section 12-433.
 - (b) No manufacturer, wholesaler or out-of-state shipper permittee shall discriminate in any manner in price discounts between one permittee and another on sales or purchases of alcoholic liquors bearing the same brand or trade name and of like age, size and quality, nor shall such manufacturer, wholesaler or out-of-state shipper

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permittee allow in any form any discount, rebate, free goods, allowance or other inducement for the purpose of making sales or purchases. Nothing in this subsection shall be construed to prohibit beer manufacturers, beer wholesalers or beer out-of-state shipper permittees from differentiating in the manner in which their products are packaged on the basis of on-site or off-site consumption.

(c) For alcoholic liquor other than beer, each manufacturer, wholesaler and out-of-state shipper permittee shall post with the department, on a monthly basis, the bottle, can and case price of any brand of goods offered for sale in Connecticut, which price when so posted shall be the controlling price for such manufacturer, wholesaler or out-of-state permittee for the month following such posting. On and after July 1, 2005, for beer, each manufacturer, wholesaler and out-ofstate shipper permittee shall post with the department, on a monthly basis, the bottle, can and case price, and the price per keg or barrel or fractional unit thereof for any brand of goods offered for sale in Connecticut which price when so posted shall be the controlling price for such brand of goods offered for sale in this state for the month following such posting. Such manufacturer, wholesaler and out-ofstate shipper permittee may also post additional prices for such bottle, can, case, keg or barrel or fractional unit thereof for a specified portion of the following month which prices when so posted shall be the controlling prices for such bottle, can, case, keg or barrel or fractional unit thereof for such specified portion of the following month. Notice of all manufacturer, wholesaler and out-of-state shipper permittee prices shall be given to permittee purchasers by direct mail, Internet web site or advertising in a trade publication having circulation among the retail permittees except a wholesaler permittee may give such notice by hand delivery. Price postings with the department setting forth wholesale prices to retailers shall be available for inspection during regular business hours at the offices of the department by manufacturers and wholesalers until three o'clock p.m. of the first business day after the last day for posting prices. A manufacturer or wholesaler may amend such manufacturer's or wholesaler's posted

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price for any month to meet a lower price posted by another manufacturer or wholesaler with respect to alcoholic liquor bearing the same brand or trade name and of like age, vintage, quality and unit container size; provided that any such amended price posting shall be filed before three o'clock p.m. of the fourth business day after the last day for posting prices; and provided further such amended posting shall not set forth prices lower than those being met. Any manufacturer or wholesaler posting an amended price shall, at the time of posting, identify in writing the specific posting being met. On and after July 1, 2005, all wholesaler postings, other than for beer, for the following month shall be provided to retail permittees not later than the twenty-seventh day of the month prior to such posting. All wholesaler postings for beer shall be provided to retail permittees not later than the twentieth day of the month prior to such posting.

- (d) Monthly price schedules on a nonuniform case shall contain the bottle price for each item contained in the nonuniform case, the unit price and the case price. The bottle price posted in a nonuniform case shall be equal to the bottle price posted for the same month in a case containing the one class and brand of alcoholic liquor.
- Sec. 7. Section 30-68*l* of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
 - (a) No wholesaler permittee shall sell to any purchaser holding a permit for the sale of alcoholic liquor for on or off premises consumption at a price which is below such wholesaler permittee's cost. For the purposes of this section, "cost" means: (1) On domestic alcoholic liquor bottled in the state, the total of (A) the cost of all ingredients, (B) all transportation charges from the point of origin to the point of destination, (C) all applicable federal and state taxes, and (D) the cost of containers, labels, caps, closures and all bottling charges and labor; (2) on imported alcoholic liquor bottled in the state, the total of (A) the invoice price from the supplier, (B) all other ingredients, (C) the cost of duties, (D) all applicable federal and state taxes, (E) insurance, (F) ocean freight and brokerage charges, (G) all

633 transportation charges, and (H) the cost of containers, labels, caps, 634 closures and all bottling charges and labor; (3) on domestic alcoholic 635 liquors not bottled in this state, the total of (A) the posted price from 636 the supplier to the wholesaler, (B) the cost of shipping or delivery charges to the wholesaler's place of business which were paid by the 637 638 wholesaler in addition to the posted price, and (C) all applicable 639 federal and state taxes paid by the wholesaler in addition to the posted 640 price; (4) on imported alcoholic liquor not bottled in the state, the total 641 of (A) the posted price from the supplier, (B) the cost of duties, 642 insurance, ocean freight and brokerage charges and transportation 643 charges paid by the wholesaler in addition to the posted price, and (C) 644 all applicable federal and state taxes paid by the wholesaler in addition 645 to the posted price. The provisions of this section shall not apply to 646 sales of wine.

- (b) Subject to prior approval from the manufacturer or out-of-state shipper, a wholesaler may package and sell to a retail licensee a nonuniform case, containing bottles only of one class of alcoholic liquor, if the wholesaler holds the exclusive rights to all bottles in such nonuniform case. Wholesalers who do not hold exclusive rights to a given brand trademark may also sell to a retail licensee a nonuniform case containing bottles only of one class of alcoholic liquor, provided all of the bottles in such nonuniform case are available to all nonexclusive wholesalers who also have rights to the given brand trademarks.
- Sec. 8. Section 30-16a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
 - (a) The Commissioner of Consumer Protection shall issue an off-site [farm winery sales and] wine, cider and mead tasting permit to a holder of a [manufacturer] wine, cider and mead permit [for a farm winery] upon the holder's submission of proof to the commissioner that the holder is in compliance with the requirements of subsection [(e)] (c) of section 30-16, as amended by this act. An off-site [farm winery sales and] tasting permit shall authorize the sale and offering of

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free samples of [wine] products manufactured [from the farm winery] 666 667 by such permittee during a total of not more than seven events or 668 functions per year held pursuant to a temporary liquor permit issued pursuant to section 30-35, a charitable organization permit issued 669 670 pursuant to section 30-37b or a nonprofit corporation permit issued 671 pursuant to section 30-37h, at locations outside the [manufacturer] 672 permit [for a farm winery] holder's permit premises, provided such 673 holder: (1) Notifies the Department of Consumer Protection, on a form 674 prescribed by the Commissioner of Consumer Protection, not less than 675 five business days prior to the date of the event or function, of the date, 676 hours and location of each event or function, (2) sells only wine, cider 677 and mead by the bottle at the event or function, and (3) is present, or 678 has an authorized representative present, at the time of the sale of any 679 [bottle of wine] <u>such bottles</u> or the offering of a free sample of [wine] 680 products from the [farm winery] permit holder at the event or 681 function. An off-site [farm winery sales and] wine, cider and mead 682 tasting permit shall be valid for a period of one year from the date of 683 issuance. The annual fee for such permit shall be two hundred fifty 684 dollars. There shall be a one-hundred-dollar nonrefundable filing fee 685 for any such permit.

- (b) Any town or municipality may, by ordinance or zoning regulation, prohibit the sale or offering of free samples [of wine] by the holder of [an off-site farm winery sales and] <u>a wine, cider and mead</u> tasting permit at an event or function held in such town or municipality.
- Sec. 9. Section 30-19f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
- (a) An in-state transporter's permit for alcoholic liquor shall allow the commercial transportation of any alcoholic liquor as permitted by law. The annual fee for an in-state transporter's liquor permit shall be one thousand two hundred fifty dollars.
- (b) No person, corporation, trust, partnership, incorporated or

698 unincorporated association, and any other legal entity except: (1) The 699 holder of an out-of-state shipper's permit issued pursuant to section 700 30-18 or 30-19; (2) the holder of a manufacturer's permit issued 701 pursuant to section 30-16, as amended by this act, other than the 702 holder of a manufacturer's permit for [a farm winery] wine, cider and 703 mead; and (3) the holder of a wholesaler's permit issued pursuant to 704 section 30-17 shall transport any alcoholic beverages imported into this 705 state unless such person holds an in-state transporter's permit and the 706 tax imposed on such alcoholic liquor by section 12-435, as amended by 707 this act, has been paid and, if applicable, the tax imposed on the sale of 708 such alcoholic liquor pursuant to chapter 219 has been paid.

- (c) An in-state transporter, when shipping or delivering wine directly to a consumer in this state, shall: (1) Ensure that the shipping labels on all containers of wine shipped directly to a consumer in this state conspicuously state the following: "CONTAINS ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY"; (2) obtain the signature of a person age twenty-one or older at the address prior to delivery, after requiring the signer to demonstrate that he or she is age twenty-one or older by providing a valid motor vehicle operator's license or a valid identity card described in section 1-1h; and (3) not ship to any address in the state where the sale of alcoholic liquor is prohibited by local option pursuant to section 30-9.
- 721 (d) Any person convicted of violating subsections (a), (b) and (c) of 722 this section shall be fined not more than two thousand dollars for each 723 offense.
- Sec. 10. Section 30-37j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
 - (a) A caterer liquor permit shall allow a person regularly engaged in the business of providing food and beverages to others for service at private gatherings or at special events to sell and serve alcoholic liquor for on-premises consumption at any activity, event or function for

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- which such person has been hired. The annual fee for a caterer liquor permit shall be four hundred forty dollars.
- (b) The holder of a caterer liquor permit shall, on a form prescribed by the Department of Consumer Protection or electronically, notify the department, in writing, of the date, location and hours of each event at which alcohol is served under such permit at least one business day in advance of such event. If the holder of a caterer liquor permit is unable to provide the written notice required under this section due to exigent circumstances, such holder may provide notice to the department by telephone of the date, location and hours of each event at which alcohol is served under such permit.
- (c) Notwithstanding the provisions of subsection (a) of section 30-48, as amended by this act, a backer or holder of a caterer liquor permit may be a backer or holder of any other permit issued under the provisions of this chapter, [including, but not limited to, a manufacturer permit for a brew pub issued under subsection (g) of section 30-16 or a manufacturer permit for beer and brew pub issued under subsection (h) of section 30-16,] except that a backer or holder of a caterer liquor permit may not be a backer or holder of any other manufacturer permit issued under section 30-16, as amended by this act, or a wholesaler permit issued under section 30-17.
 - (d) The holder of a caterer liquor permit and any other permit issued under the provisions of this chapter that prohibits the off-premises consumption of alcoholic liquor shall be exempt from such prohibition for the purposes of conducting such holder's catering business only.
- (e) The holder of a caterer liquor permit shall be exempt from the provisions of sections 30-38, 30-52 and 30-54 and from the requirements to affix and maintain a placard, as provided in subdivision (3) of subsection (b) of section 30-39.
- Sec. 11. Section 30-37l of the general statutes is repealed and the

761 following is substituted in lieu thereof (*Effective January 1, 2020*):

- (a) A wine festival permit shall allow the holder of a manufacturer permit for [a farm winery] wine, cider and mead, issued pursuant to section 30-16, as amended by this act, to participate in a wine festival organized and sponsored by an association that promotes the manufacturing and selling of [farm] wine in this state or such association's not-for-profit subsidiary. Such association or such association's not-for-profit subsidiary shall not organize and sponsor more than two such wine festivals in any calendar year. The Commissioner of Consumer Protection shall allow only two such wine festivals in any calendar year, regardless of the number of such [farm winery] permittees or such organizing and sponsoring associations or not-for-profit subsidiaries participating in such wine festivals.
- (b) A wine festival permit shall authorize: (1) The sale and shipment of wine manufactured by the [farm winery] permittee and sold at such wine festival to persons outside the state; (2) the offering and tasting of free samples of wine to visitors and prospective retail customers for consumption on the grounds of the wine festival; (3) the sale at retail of sealed bottles or other sealed containers of wine for consumption off the grounds of the wine festival; and (4) the sale at retail of wine by the glass or receptacle, provided the glass or receptacle is embossed or otherwise permanently labeled with the name and date of the wine festival.
- (c) No farm winery permittee may sell, offer or give to any person or entity wine not manufactured by such farm winery.
- (d) Only two wine festival permits may be issued per calendar year pursuant to this section by the Commissioner of Consumer Protection to each holder of a manufacturer permit for [a farm winery] wine, cider and mead. A wine festival permit shall not be effective for more than three consecutive days per calendar year. The fee for a wine festival permit shall be seventy-five dollars.

- Sec. 12. Section 30-62c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
- (a) The holder of an alcoholic liquor permit issued by the Department of Consumer Protection pursuant to subsections (b) to [(h)] (e), inclusive, of section 30-16, as amended by this act, or an agent of such permit holder, shall furnish potable water without charge to any person on the permit premises requesting such water or shall offer nonalcoholic beverages for sale to such person.
 - (b) A permittee or such permittee's agent shall not be required to furnish such water or offer nonalcoholic beverages for sale during the hours and days that the sale or dispensing of alcoholic liquor is prohibited pursuant to subsection (a) of section 30-91, as amended by this act. Such potable water shall meet all federal and state requirements concerning purity of drinking water and shall be supplied in a receptacle suitable to permit the individual consumption of not less than six ounces per serving.
 - (c) The Department of Consumer Protection may, in its discretion, suspend, revoke or refuse to grant or renew an alcoholic liquor permit pursuant to subsection (a) of section 30-47 if the department has reasonable cause to believe a permittee has violated any provision of this section.
- Sec. 13. Section 30-370 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
 - (a) The Commissioner of Consumer Protection shall issue a farmers' market wine sales permit to a holder of a manufacturer permit for [a farm winery] wine, cider and mead upon submission of proof to the commissioner that such holder is in compliance with the requirements of subsection [(e)] (c) of section 30-16, as amended by this act. Such permit shall authorize the sale of [wine] products manufactured from such [farm winery] permittee during an unlimited number of appearances at a farmers' market at not more than ten farmers' market

- 823 locations per year provided such holder: (1) Has an invitation from 824 such farmers' market to sell [wine] such products at such farmers' 825 market, (2) only sells [wine] such products by the bottle at such 826 farmers' markets, and (3) is present, or has an authorized 827 representative present, at the time of sale of any such [bottle of wine] 828 product from such [farm winery] permit holder at such farmers' 829 market. Any such [farmers' market wine sales] permit shall be valid for 830 a period of one year from the date of issuance. The annual fee for [a 831 farmers' market wine sales] such permit shall be two hundred fifty 832 dollars. There shall be a one-hundred-dollar, nonrefundable filing fee for any such permit. 833
 - (b) Any town or municipality may, by ordinance or zoning regulation, prohibit the sale of [wine] <u>such products</u> by the holder of [a farmers' market wine sales] <u>such</u> permit at a farmers' market held in such town or municipality.
- Sec. 14. Section 30-48 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):
 - (a) No backer or permittee of one permit class shall be a backer or permittee of any other permit class except in the case of any class of airport, railroad, airline and boat permits, and except that: (1) A backer of a hotel or restaurant permit may be a backer of both such classes; (2) a holder or backer of a [manufacturer permit for a brew pub, a] restaurant permit or a cafe permit may be a holder or backer of any other or all of such classes; (3) a holder or backer of a restaurant permit may be a holder or backer of a bowling establishment permit; (4) a backer of a restaurant permit may be a backer of a coliseum permit or a coliseum concession permit, or both, when such restaurant is within a coliseum; (5) a backer of a hotel permit may be a backer of a coliseum permit or a coliseum concession permit, or both; (6) a backer of a coliseum permit may be a backer of a coliseum concession permit; (7) a backer of a coliseum concession permit may be a backer of a coliseum permit; (8) a backer of a grocery store beer permit may be a backer of a package store permit if such was the case on or before May 1, 1996; (9)

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a backer of a university permit may be a backer of a nonprofit theater permit; (10) subject to the discretion of the department, a backer of a permit provided for in section 30-33b, may be a backer of any other retail on-premise consumption permit, including those permits provided for in section 30-33b; (11) a backer of a nonprofit theater permit may be a holder or backer of a hotel permit; (12) a holder or backer of a restaurant permit may be a holder or backer of a special outing facility permit; (13) a backer of a concession permit may be a backer of a coliseum permit or a coliseum concession permit, or both; (14) a holder of an out-of-state winery shipper's permit for wine may be a holder of an in-state transporter's permit or an out-of-state entity wine festival permit issued pursuant to section 30-37m, or of both such permits; (15) a holder of an out-of-state shipper's permit for alcoholic liquor other than beer may be a holder of an in-state transporter's permit; and (16) a holder of a manufacturer permit for [a farm winery] wine, cider and mead may be a holder of an in-state transporter's permit, a wine festival permit issued pursuant to section 30-37l, as amended by this act, a farmers' market wine sales permit issued pursuant to subsection (a) of section 30-370, as amended by this act, an off-site [farm winery sales and] tasting permit issued pursuant to section 30-16a, as amended by this act, or of any combination of such permits. [; and (17) a holder of a manufacturer permit for beer, manufacturer permit for a brew pub, manufacturer permit for beer and brew pub or manufacturer permit for a farm brewery may be a holder of a farmers' market beer sales permit issued pursuant to section 30-37r. Any person may be a permittee of more than one permit.] A person may be a permittee under a permit provided for in section 30-33b and a backer of any other retail on-premise consumption permit, including those permits provided for in section 30-33b. The operator of a racing or jai alai exhibition with pari-mutuel betting licensed by the Department of Consumer Protection may be a backer of any permit provided for in section 30-33b. No holder of a manufacturer permit for a brew pub and no spouse or child of such holder may be a holder or backer of more than three restaurant permits or cafe permits.

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(b) No permittee or backer thereof and no employee or agent of such permittee or backer shall borrow money or receive credit in any form for a period in excess of thirty days, directly or indirectly, from any manufacturer permittee, or backer thereof, or from any wholesaler permittee, or backer thereof, of alcoholic liquor or from any member of the family of such manufacturer permittee or backer thereof or from any stockholder in a corporation manufacturing or wholesaling such liquor, and no manufacturer permittee or backer thereof or wholesaler permittee or backer thereof or member of the family of either of such permittees or of any such backer, and no stockholder of a corporation manufacturing or wholesaling such liquor shall lend money or otherwise extend credit, directly or indirectly, to any such permittee or backer thereof or to the employee or agent of any such permittee or backer. A wholesaler permittee or backer, or a manufacturer permittee or backer, that has not received payment in full from a retailer permittee or backer within thirty days after the date such credit was extended to such retailer or backer or to an employee or agent of any such retailer or backer, shall give a written notice of obligation to such retailer within the five days following the expiration of the thirty-day period of credit. The notice of obligation shall state: The amount due; the date credit was extended; the date the thirty-day period ended, and that the retailer is in violation of this section. A retailer who disputes the accuracy of the "notice of obligation" shall, within the ten days following the expiration of the thirty-day period of credit, give a written response to notice of obligation to the department and give a copy to the wholesaler or manufacturer who sent the notice. The response shall state the retailer's basis for dispute and the amount, if any, admitted to be owed for more than thirty days; the copy forwarded to the wholesaler or manufacturer shall be accompanied by the amount admitted to be due, if any, and such payment shall be made and received without prejudice to the rights of either party in any civil action. Upon receipt of the retailer's response, the chairman of the commission or such chairman's designee shall conduct an informal hearing with the parties being given equal opportunity to appear and be heard. If the chairman or such chairman's designee determines that

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the notice of obligation is accurate, the department shall forthwith issue an order directing the wholesaler or manufacturer to promptly give all manufacturers and wholesalers engaged in the business of selling alcoholic liquor to retailers in this state, a "notice of delinquency". The notice of delinquency shall identify the delinquent retailer, and state the amount due and the date of the expiration of the thirty-day credit period. No wholesaler or manufacturer receiving a notice of delinquency shall extend credit by the sale of alcoholic liquor or otherwise to such delinquent retailer until after the manufacturer or wholesaler has received a "notice of satisfaction" from the sender of the notice of delinquency. If the chairman or such chairman's designee determines that the notice of obligation is inaccurate, the department shall forthwith issue an order prohibiting a notice of delinquency. The party for whom the determination by the chairman or such chairman's designee was adverse, shall promptly pay to the department a part of the cost of the proceedings as determined by the chairman or such chairman's designee, which shall not be less than fifty dollars. The department may suspend or revoke the permit of any permittee who, in bad faith, gives an incorrect notice of obligation, an incorrect response to notice of obligation, or an unauthorized notice of delinquency. If the department does not receive a response to the notice of obligation within such ten-day period, the delinquency shall be deemed to be admitted and the wholesaler or manufacturer who sent the notice of obligation shall, within the three days following the expiration of such ten-day period, give a notice of delinquency to the department and to all wholesalers and manufacturers engaged in the business of selling alcoholic liquor to retailers in this state. A notice of delinquency identifying a retailer who does not file a response within such ten-day period shall have the same effect as a notice of delinquency given by order of the chairman or such chairman's designee. A wholesaler permittee or manufacturer permittee that has given a notice of delinquency and that receives full payment for the credit extended, shall, within three days after the date of full payment, give a notice of satisfaction to the department and to all wholesalers and manufacturers to whom a notice of delinquency was sent. The

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prohibition against extension of credit to such retailer shall be void upon such full payment. The department may revoke or suspend any permit for a violation of this section. An appeal from an order of revocation or suspension issued in accordance with this section may be taken in accordance with section 30-60.

- (c) If there is a proposed change or change in ownership of a retail permit premises, no application for a permit shall be approved until the applicant files with the department an affidavit executed by the seller of the retail permit premises stating that all obligations of the predecessor permittee for the purchase of alcoholic liquor at such permit premises have been paid or that such applicant did not receive direct or indirect consideration from the predecessor permittee. If a wholesaler permittee alleges the applicant received direct or indirect consideration from the predecessor permittee or that there remain outstanding liquor obligations, such wholesaler permittee may file department affidavit, with the an along with supporting documentation to establish receipt of such consideration or outstanding liquor obligations. The Commissioner of Consumer Protection, in the commissioner's sole discretion, shall determine whether a hearing is warranted on such allegations. The commissioner may waive the requirement of such seller's affidavit upon finding that (1) the predecessor permittee abandoned the premises prior to the filing of the application, and (2) such permittee did not receive any consideration, direct or indirect, for such permittee's abandonment. For the purposes of this subsection, "consideration" means the receipt of legal tender or goods or services for the purchase of alcoholic liquor remaining on the premises of the predecessor permittee, for which bills remain unpaid.
- (d) A permittee may file a designation of an authorized agent with the department to issue or receive all notices or documents provided for in this section. The permittee shall be responsible for the issuance or receipt of such notices or documents by the agent.
- 992 (e) The period of credit permitted under this section shall be

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calculated as the time elapsing between the date of receipt of the alcoholic liquors by the purchaser and the date of full legal discharge of the purchaser through the payment of cash or its equivalent from all indebtedness arising from the transaction except that, if the last day for payment falls on a Saturday, Sunday or legal holiday, the last day for payment shall then be the next business day.

Sec. 15. Section 30-91 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2020*):

(a) The sale or the dispensing or consumption or the presence in glasses or other receptacles suitable to permit the consumption of alcoholic liquor by an individual in places operating under hotel permits, restaurant permits, cafe permits, restaurant permits for catering establishments, bowling establishment permits, racquetball facility permits, club permits, coliseum permits, coliseum concession permits, special sporting facility restaurant permits, special sporting facility employee recreational permits, special sporting facility guest permits, special sporting facility concession permits, special sporting facility bar permits, golf country club permits, nonprofit public museum permits, university permits, airport restaurant permits, airport bar permits, airport airline club permits, tavern permits, a manufacturer permit for a brew pub, manufacturer permits for beer and brew pubs, casino permits, caterer liquor permits and charitable organization permits shall be unlawful on: (1) Monday, Tuesday, Wednesday, Thursday and Friday between the hours of one o'clock a.m. and nine o'clock a.m.; (2) Saturday between the hours of two o'clock a.m. and nine o'clock a.m.; (3) Sunday between the hours of two o'clock a.m. and ten o'clock a.m.; (4) Christmas, except (A) for alcoholic liquor that is served where food is also available during the hours otherwise permitted by this section for the day on which Christmas falls, and (B) by casino permittees at casinos, as defined in section 30-37k; and (5) January first between the hours of three o'clock a.m. and nine o'clock a.m., except that on any Sunday that is January first the prohibitions of this section shall be between the hours of three

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1026 o'clock a.m. and ten o'clock a.m.

- (b) Any town may, by vote of a town meeting or by ordinance, reduce the number of hours during which sales under subsection (a) of this section, except sales pursuant to an airport restaurant permit, airport bar permit or airport airline club permit, shall be permissible. In all cases when a town, either by vote of a town meeting or by ordinance, has acted on the sale of alcoholic liquor or the reduction of the number of hours when such sale is permissible, such action shall become effective on the first day of the month succeeding such action and no further action shall be taken until at least one year has elapsed since the previous action was taken.
- (c) Notwithstanding any provisions of subsections (a) and (b) of this section, such sale or dispensing or consumption or presence in glasses in places operating under a bowling establishment permit shall be unlawful before eleven a.m. on any day, except in that portion of the permit premises which is located in a separate room or rooms entry to which, from the bowling lane area of the establishment, is by means of a door or doors which shall remain closed at all times except to permit entrance and egress to and from the lane area. Any alcoholic liquor sold or dispensed in a place operating under a bowling establishment permit shall be served in containers such as, but not limited to, plastic or glass. Any town may, by vote of a town meeting or by ordinance, reduce the number of hours during which sales under this subsection shall be permissible.
- (d) The sale or dispensing of alcoholic liquor in places operating under package store permits, drug store permits, manufacturer permits for beer [, manufacturer permits for beer and brew pubs, manufacturer permits for a farm brewery, manufacturer permits for farm distilleries] or grocery store beer permits shall be unlawful on Thanksgiving Day, New Year's Day or Christmas; and such sale or dispensing of alcoholic liquor in places operating under package store permits, drug store permits, manufacturer permits for beer [, manufacturer permits for beer and brew pubs, manufacturer permits

for a farm brewery, manufacturer permits for farm distilleries] and grocery store beer permits shall be unlawful on Sunday before ten o'clock a.m. and after six o'clock p.m. and on any other day before eight o'clock a.m. and after ten o'clock p.m. [It shall be unlawful for the holder of a manufacturer permit for a brew pub to sell beer for consumption off the premises on the days or hours prohibited by this subsection.] Any town may, by a vote of a town meeting or by ordinance, reduce the number of hours during which such sale shall be permissible.

- (e) (1) In the case of any premises operating under a tavern permit, wherein, under the provisions of this section, the sale of alcoholic liquor is forbidden on certain days or hours of the day, or during the period when a tavern permit is suspended, it shall likewise be unlawful to keep such premises open to, or permit it to be occupied by, the public on such days or hours.
- (2) In the case of any premises operating under a cafe permit, it shall be unlawful to keep such premises open to, or permit such premises to be occupied by, the public between the hours of one o'clock a.m. and six o'clock a.m. on Monday, Tuesday, Wednesday, Thursday and Friday and between the hours of two o'clock a.m. and six o'clock a.m. on Saturday and Sunday or during any period of time when such permit is suspended, provided the sale or the dispensing or consumption of alcohol on such premises operating under such cafe permit shall be prohibited beyond the hours authorized for the sale or dispensing or consumption of alcohol for such premises under this section.
- (3) Notwithstanding any provision of this chapter, in the case of any premises operating under a tavern or cafe permit, it shall be lawful for such premises to be open to, or be occupied by, the public when such premises is being used as a site for film, television, video or digital production eligible for a film production tax credit pursuant to section 12-217jj, provided the sale or the dispensing or consumption of alcohol on such premises operating under such tavern or cafe permit shall be

prohibited beyond the hours authorized for the sale or the dispensing or consumption of alcohol for such premises under this section.

- (f) The retail sale of wine and the tasting of free samples of wine, cider not exceeding six per cent alcohol by volume, apple wine not exceeding fifteen per cent alcohol by volume, apple brandy, eau-de-vie and mead by visitors and prospective retail customers of a permittee holding a manufacturer permit for [a farm winery] wine, cider and mead on the premises of such permittee shall be unlawful on Sunday before ten o'clock a.m. and after ten o'clock p.m. and on any other day before eight o'clock a.m. and after ten o'clock p.m. Any town may, by vote of a town meeting or by ordinance, reduce the number of hours during which sales and the tasting of free samples of [wine] products under this subsection shall be permissible.
- (g) Notwithstanding any provision of subsection (a) of this section, food or nonalcoholic beverages may be sold, dispensed or consumed in places operating under an airport restaurant permit, an airport bar permit or an airport airline club permit, at any time, as allowed by agreement between the Connecticut Airport Authority and its lessees or concessionaires. In the case of premises operating under an airport airline club permit, the sale, dispensing or consumption or the presence in glasses or other receptacles suitable to permit the consumption of alcoholic liquor by an individual shall be unlawful on: (1) Monday, Tuesday, Wednesday, Thursday and Friday between the hours of one o'clock a.m. and six o'clock a.m., (2) Saturday and Sunday between the hours of two o'clock a.m. and six o'clock a.m., (3) Christmas, except for alcoholic liquor that is served where food is also available during the hours otherwise permitted by this section for the day on which Christmas falls, and (4) January first between the hours of three o'clock a.m. and six o'clock a.m.
 - (h) The sale or the dispensing or consumption or the presence in glasses or other receptacles suitable to permit the consumption of alcoholic liquor by an individual in places operating under a nonprofit golf tournament permit shall be unlawful on any day prior to nine

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o'clock a.m. and after ten o'clock p.m.

- (i) The tasting of free samples of beer by visitors of a permittee holding a manufacturing permit for beer on the premises of such permittee shall be unlawful on Sunday before eleven o'clock a.m. and after eight o'clock p.m. and on any other day before ten o'clock a.m. and after eight o'clock p.m. Nothing in this section shall be construed to limit the right of a holder of such permit to conduct manufacturing operations at any time. Any town may, by vote of a town meeting or ordinance, reduce the number of hours during which the tasting and free samples of beer under this subsection shall be permissible.
- 1135 (j) Nothing in this section shall be construed to require any 1136 permittee to continue the sale or dispensing of alcoholic liquor until 1137 the closing hour established under this section.
 - (k) The retail sale of wine and the tasting of free samples of wine by visitors and prospective retail customers of a permittee holding a wine festival permit or an out-of-state entity wine festival permit issued pursuant to section 30-37*l*, as amended by this act, or 30-37m shall be unlawful on Sunday before eleven o'clock a.m. and after eight o'clock p.m., and on any other day before ten o'clock a.m. and after eight o'clock p.m. Any town may, by vote of a town meeting or by ordinance, reduce the number of hours during which the retail sale of wine and the tasting of free samples of wine pursuant to this subsection shall be permissible.
 - (l) The sale of wine at a farmers' market by a permittee holding a farmers' market wine sales permit pursuant to subsection (a) of section 30-370, as amended by this act, shall be unlawful on any day before eight o'clock a.m. and after ten o'clock p.m., provided such permittee shall not sell such wine at a farmers' market at any time during such hours that the farmers' market is not open to the public. Any town may, by vote of a town meeting or by ordinance, reduce the number of hours during which sales of wine under this subsection shall be permissible.

(m) Notwithstanding any provision of subsection (a) of this section, it shall be lawful for casino permittees at casinos, as defined in section 30-37k, to allow the presence of alcoholic liquor in glasses or other receptacles suitable to permit the consumption thereof by an individual at any time on its gaming facility, as defined in subsection (a) of section 30-37k, provided such alcoholic liquor shall not be served to a patron of such casino during the hours specified in subsection (a) of this section. For purposes of this section, "receptacles suitable to permit the consumption of alcoholic liquor" shall not include bottles of distilled spirits or bottles of wine.

1167 Sec. 16. Section 30-37r of the general statutes is repealed. (*Effective Innuary 1, 2020*)

| This act shall take effect as follows and shall amend the following | | |
|---|-----------------|------------------|
| sections: | | |
| | | |
| Section 1 | January 1, 2020 | 12-435 |
| Sec. 2 | January 1, 2020 | 30-1 |
| Sec. 3 | January 1, 2020 | 30-16 |
| Sec. 4 | January 1, 2020 | 30-37p |
| Sec. 5 | January 1, 2020 | 30-37q |
| Sec. 6 | January 1, 2020 | 30-63 |
| Sec. 7 | January 1, 2020 | 30-681 |
| Sec. 8 | January 1, 2020 | 30-16a |
| Sec. 9 | January 1, 2020 | 30-19f |
| Sec. 10 | January 1, 2020 | 30-37j |
| Sec. 11 | January 1, 2020 | 30-37 <i>l</i> |
| Sec. 12 | January 1, 2020 | 30-62c |
| Sec. 13 | January 1, 2020 | 30-370 |
| Sec. 14 | January 1, 2020 | 30-48 |
| Sec. 15 | January 1, 2020 | 30-91 |
| Sec. 16 | January 1, 2020 | Repealer section |

Statement of Legislative Commissioners:

Technical corrections were made throughout for proper form and in Section 15(d), conforming changes were made in accordance with the provisions of Section 3 of the bill.

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Joint Favorable Subst. -LCO